Get the MOST out of your Membership



ISCPA strives to curate diverse and relevant content that aligns with the interests and needs of our members while helping to maximize your membership investment. We understand that managing a multitude of responsibilities and demands can make it challenging to prioritize your continued learning. However, you've made the financial investment, now make the personal one - and take advantage of everything ISCPA has to offer you.

Welcome to the 2025 ROI Series
14 Complimentary CPE Credits
For ISCPA Members!

Proudly Sponsored by

Idaho Central CREDIT UNION

BRAYN Consulting LLC

- **Jan 15** **Federal Tax Update - 2024 Tax Developments**
- **Feb 19** **Understanding Employee Values**
- **Mar 19** **How Cyber Security Risk Assessments Can Save Your Business**
- **Apr 23** **Creating and Incorporating AI Policies into Employee Handbooks**
- **May 21** **IDeal – Idaho's 529 Plan Updates and Employer Program**
- **Jun 23** **Normalizing to a New Normal**
- **Jul 16** **2025 Legislative Wrap-up**
- **Aug 20** **Tax Incentives for Energy Efficient Builders, Developers & Designers**
- **Sep 17** **What is the FTC Safeguards Rule and Why is it Important?**
- **Oct 8** **Unlocking Strategic Charitable Giving for Your Clients**
- **Nov 19** **Marketing 101**
- **Dec 17** **Depression in Accounting and How to Improve Your Self-Care & Personal Well Being at Work**

Missed a session? No Problem!

- Links for the recording of each presentation will be posted on the ROI page of our website to ensure you have access to ALL this valuable information!
- Need CPE credit for a session you missed? Check out the on-demand options, exclusively available to ISCPA members!
- Visit www.idcpa.org/roi-series for more details.



Welcome Idaho Society of Certified Public Accountants

Your clients are your passion, and you are ours. You can trust Idaho Central Credit Union to be your business banking expert, especially when it comes to the cash flow of a seasonal business. We provide business service solutions and can serve you, your business, and your clients with financial strength and personalized service. At Idaho Central, you're a partner. Now that's Business Unusual.

- Achieve your business goals with a variety of loan solutions, including **SBA (Small Business Administration).**
- Simplify the management and monitoring of your business's finances with our full suite of **treasury services**.
- Secure your future with our **insured account options** and full **wealth investment services**.
- Earn more with **better rates** and save more with **little-to-no fees**.
- **Access your banking anytime, anywhere**, with 24/7 online banking and branches across Idaho and Spokane, WA to serve you.
- Receive answers to your questions when you need them with a direct line to our **local business team**.

If you have clients that are paying excessive fees, we would love to help them save and achieve financial success too! Call 208.846.7034, or come in today!

Idaho Central CREDIT UNION

WE BELIEVE it's not just business as usual.

ICCU.COM

OUR SERVICE LINES

(888) 773-8356 info@brayn.com www.BRAYN.com

BRAYN Consulting LLC

R&D CREDIT



WHAT IS THE R&D TAX CREDIT?

The R&D tax credit is one of the most powerful tax incentives in the tax code. Due to the broad definition of "qualified research", businesses in nearly every industry can take advantage of the credit.

The R&D tax credit is based on "qualified research expenses" (QREs) - for every dollar spent on QREs, you can earn up to $0.04 to $0.07 in federal tax credits! The R&D tax credit is a federal incentive, but many states also offer their own versions, which means even more opportunities for tax savings.

Permitted Purpose Test	Technologically in Nature	Technical Uncertainty	Process of Experimentation
• New or Improved • Product, process, technique, formula • Purpose: Functionality, durability, quality, reliability	• Engineering, physics, chemistry, biology, or computer science • Existing principles are usable	• Capability • Methodology • Final or appropriate design	• Systematic evaluation of alternatives • Trial and Error

COST SEG.



WHAT IS COST SEGREGATION?

A traditional cost segregation study allows companies and individuals who have constructed, acquired, or renovated real estate to increase cash flow by accelerating depreciating tax deductions.

WHAT IS COST SEGREGATION+ ?

All of BRAYN's studies are led by licensed professional engineers. Our Cost Seg+ studies are a more comprehensive tax strategy for real estate with accelerating depreciation deductions.

Eligible Cost Seg+ Business+
• Businesses in any industry who own their own commercial building • Commercial property owners • Income-producing residential property owners

IRS Circular 230 Disclosure - To ensure compliance with requirements imposed by the IRS, we inform you that any U.S. tax advise contained in this communication is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding tax related penalties under the Internal Revenue Code, or (ii) promoting, marketing, or recommending to another party any transaction or matter addressed herein.

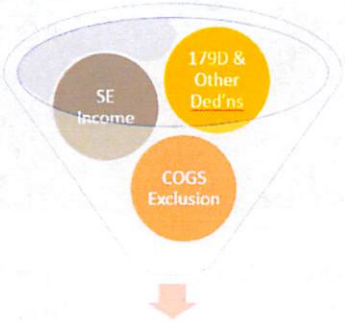
OUR SERVICE LINES

(888) 773-8356 info@brayn.com www.BRAYN.com

BRAYN Consulting LLC

174 R&E – We are helping CPAs provide strategy and options to mitigate risk and potential solutions to offset costs due to the 174 Amortization issue.

Opportunities for Mitigation and Improvement:



Improved 174 Analysis



Jasmine Nouri
Account Manager
310-480-0445

SCAN ME

Identifying Tax Savings Opportunities

Industry	R&D	45L	179D	Cost Seg.	Sec. 48 ITC
Architecture	✓		✓		
Engineering	✓		✓		
Construction	✓		✓		
Multi-Family Developers		✓	✓	✓	✓
Home Builders	✓	✓		✓	✓
Real Estate Owners/Investors		✓	✓	✓	✓
Software/Technology	✓				
Manufacturing	✓		✓	✓	
Distribution & Logistics	✓		✓	✓	
Gov. & Tax-Exempt Bldg. Owners			✓	✓	✓

IRS Circular 230 Disclosure - To ensure compliance with requirements imposed by the IRS, we inform you that any U.S. tax advise contained in this communication is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding tax related penalties under the Internal Revenue Code, or (ii) promoting, marketing, or recommending to another party any transaction or matter addressed herein.

Economic and Labor Market Outlook



Sam Wolkenhauer, Labor Economist

May 2025

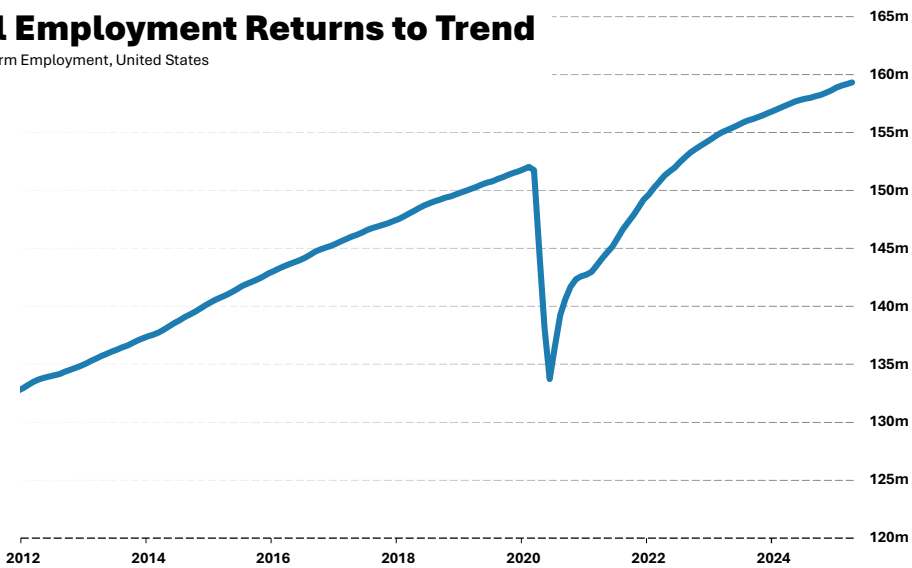
IDAHO DEPT. OF LABOR

1

Labor Markets

Total Employment Returns to Trend

Total Nonfarm Employment, United States



Source: US Bureau of Labor Statistics

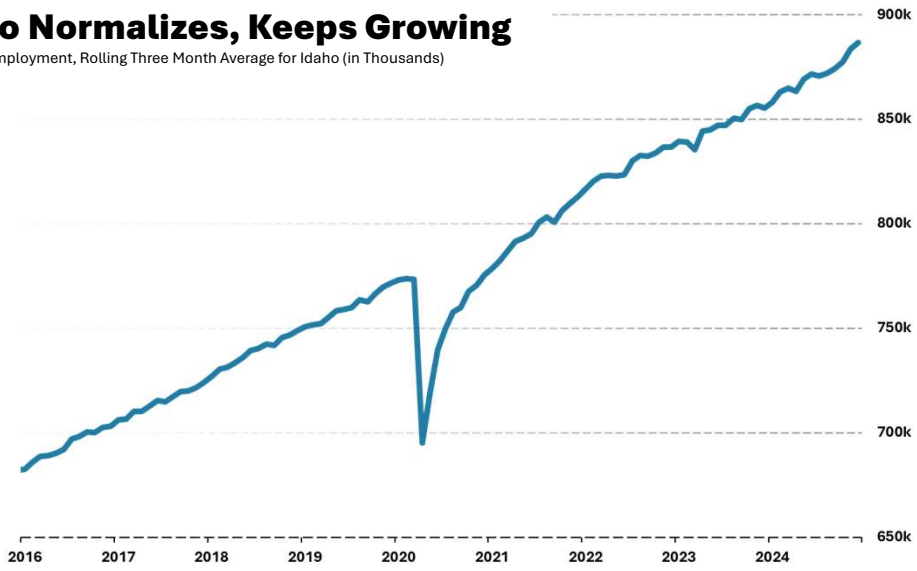
IDAHO DEPT. OF LABOR

2

Labor Markets

Idaho Normalizes, Keeps Growing

Nonfarm Employment, Rolling Three Month Average for Idaho (in Thousands)



Source: Idaho Department of Labor

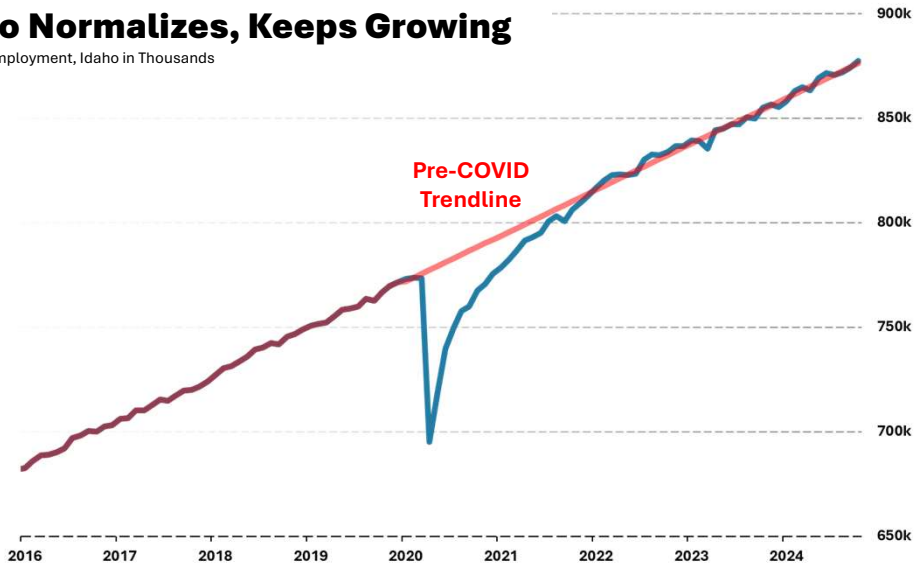
IDAHO DEPT. OF LABOR

3

Labor Markets

Idaho Normalizes, Keeps Growing

Nonfarm Employment, Idaho in Thousands



Source: Idaho Department of Labor

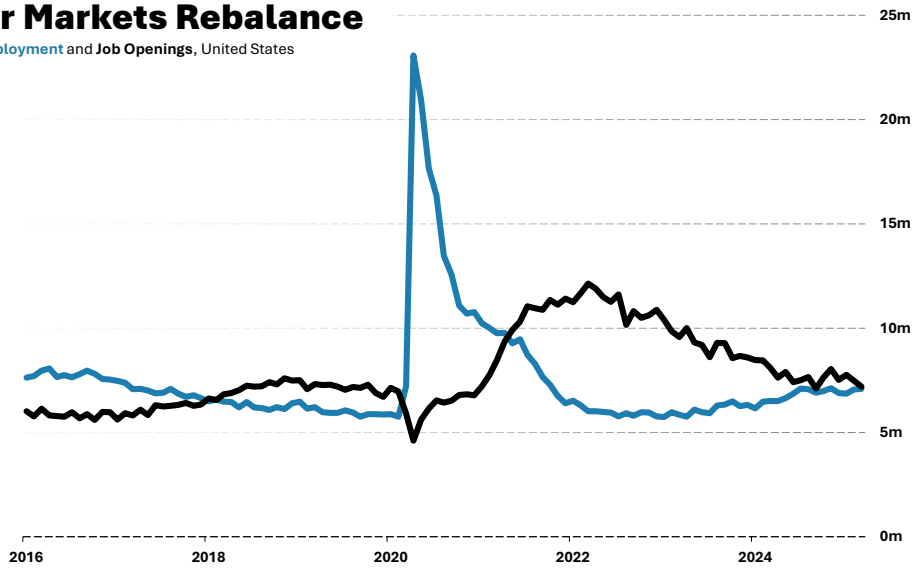
IDAHO DEPT. OF LABOR

4

Labor Markets

Labor Markets Rebalance

Total **Unemployment** and **Job Openings**, United States



Source: US Bureau of Labor Statistics

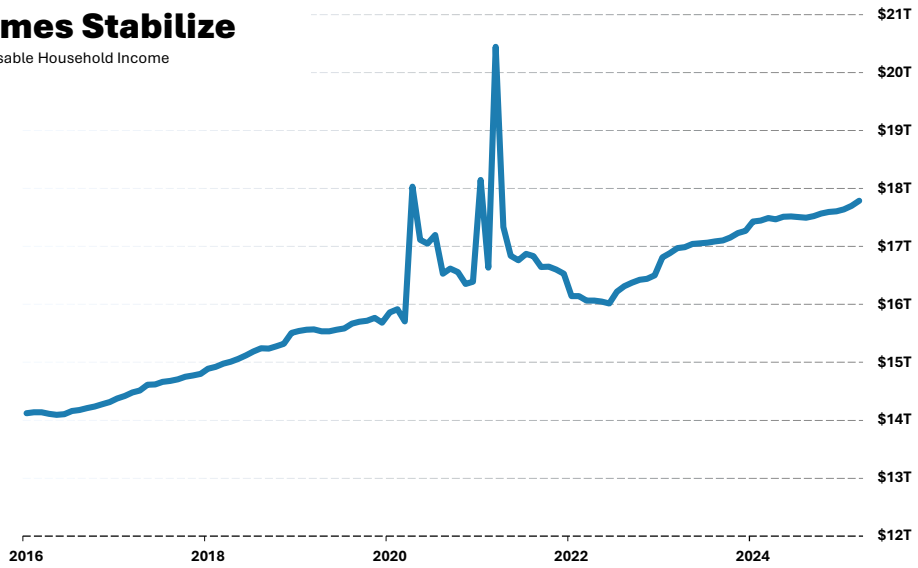
IDAHO DEPT. OF LABOR

5

Labor Markets

Incomes Stabilize

Real Disposable Household Income



Source: US Bureau of Economic Analysis

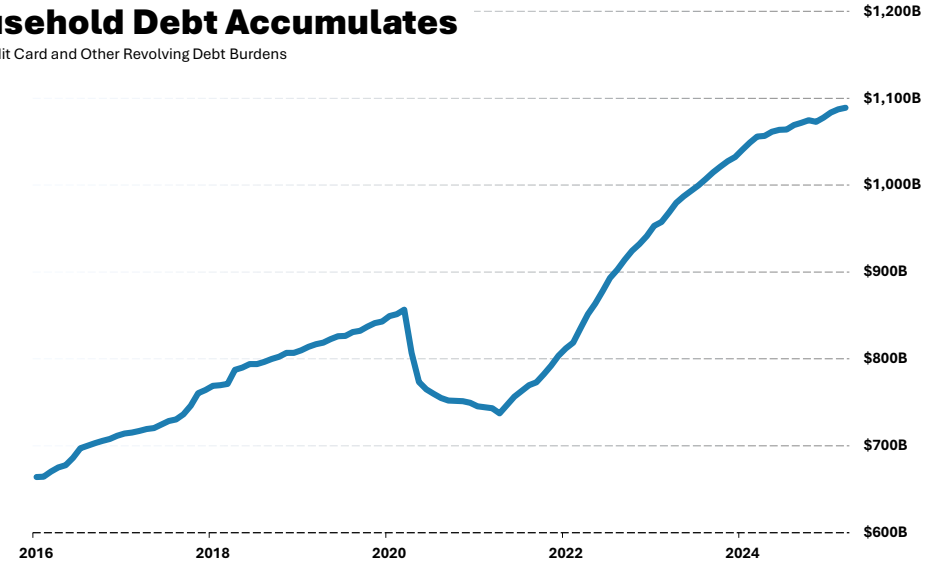
IDAHO DEPT. OF LABOR

6

Labor Markets

Household Debt Accumulates

Total Credit Card and Other Revolving Debt Burdens



Source: US Bureau of Economic Analysis

IDAHO DEPT. OF LABOR

7

Summary of Economic Conditions

- Headline numbers look good. GDP, total employment, and wages are all plodding forward.
- Labor markets are generally much more balanced than they have been over the last five years.
- Consumer debt has exploded and delinquencies are up slightly.
- **Generally speaking**, downside is limited by the strength of the labor market. We remain near full employment.

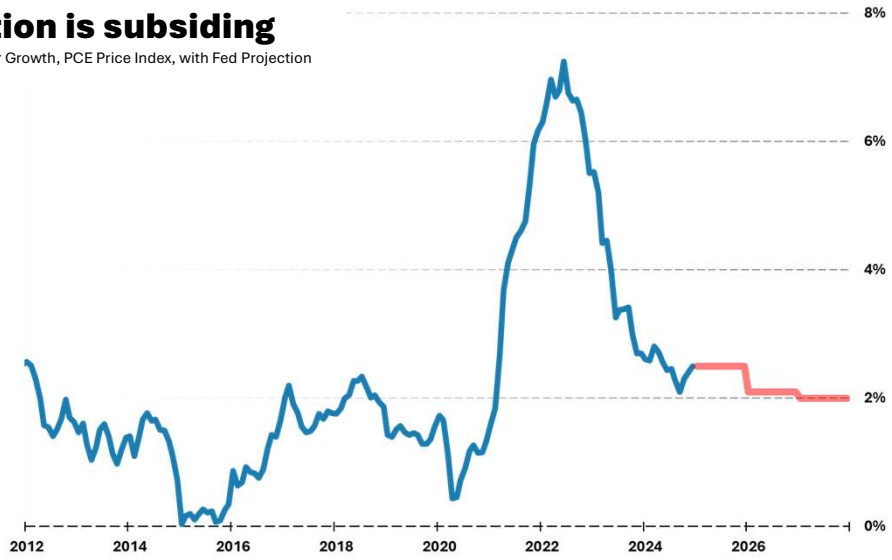
IDAHO DEPT. OF LABOR

8

Inflation

Inflation is subsiding

Year over Year Growth, PCE Price Index, with Fed Projection



Source: Bureau of Economic Analysis

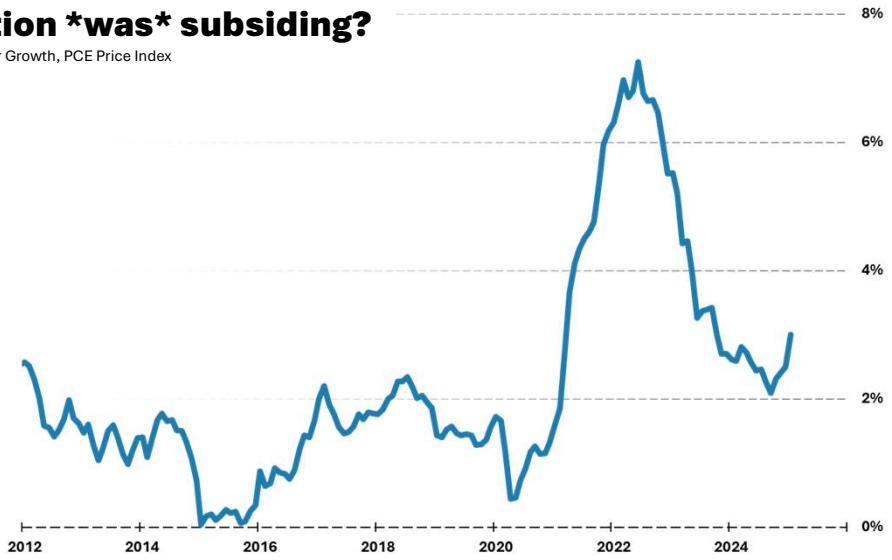
IDAHO DEPT. OF LABOR

9

Inflation

Inflation *was* subsiding?

Year over Year Growth, PCE Price Index



Source: Bureau of Economic Analysis

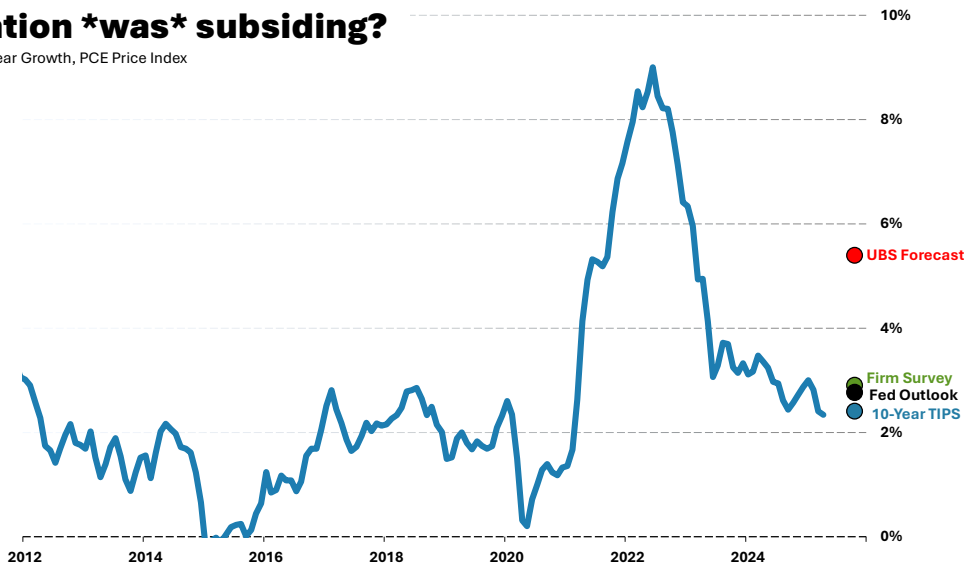
IDAHO DEPT. OF LABOR

10

Inflation

Inflation *was* subsiding?

Year over Year Growth, PCE Price Index



Source: Bureau of Economic Analysis

IDAHO DEPT. OF LABOR

11

Inflation

Holding Pattern

Fed Chairman Powell, April 16, 2025

"Our obligation is to keep longer-term inflation expectations well anchored and to make certain that a one-time increase in the price level does not become an ongoing inflation problem…

For the time being, we are well positioned to wait for greater clarity before considering any adjustments to our policy stance."

Source: Bureau of Economic Analysis

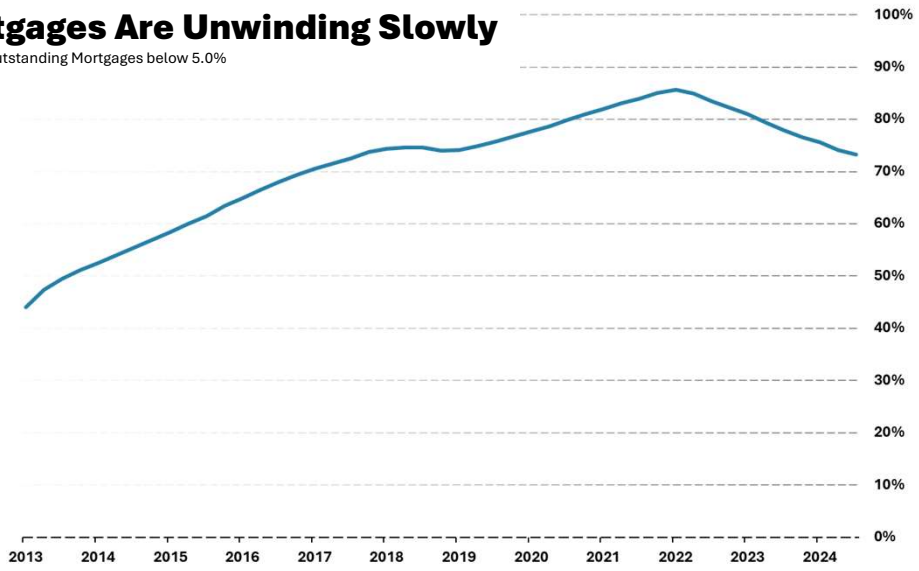
IDAHO DEPT. OF LABOR

12

Interest Rates

Mortgages Are Unwinding Slowly

Share of Outstanding Mortgages below 5.0%



Source: Federal Housing Finance Agency, Freddie Mac, Federal Reserve

IDAHO DEPT. OF LABOR

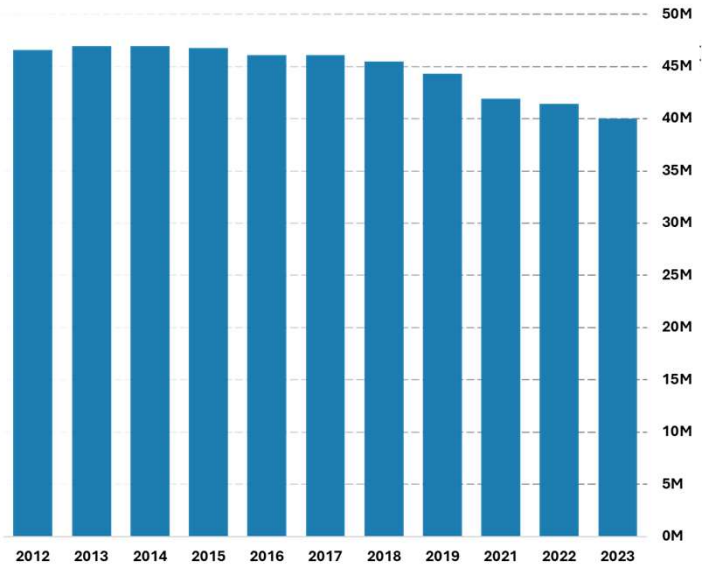
13

Interest Rates

Declining American Mobility

Total American Residents moving between residences annually

*2020 Unavailable due to Census Disruptions



Source: US Census Bureau

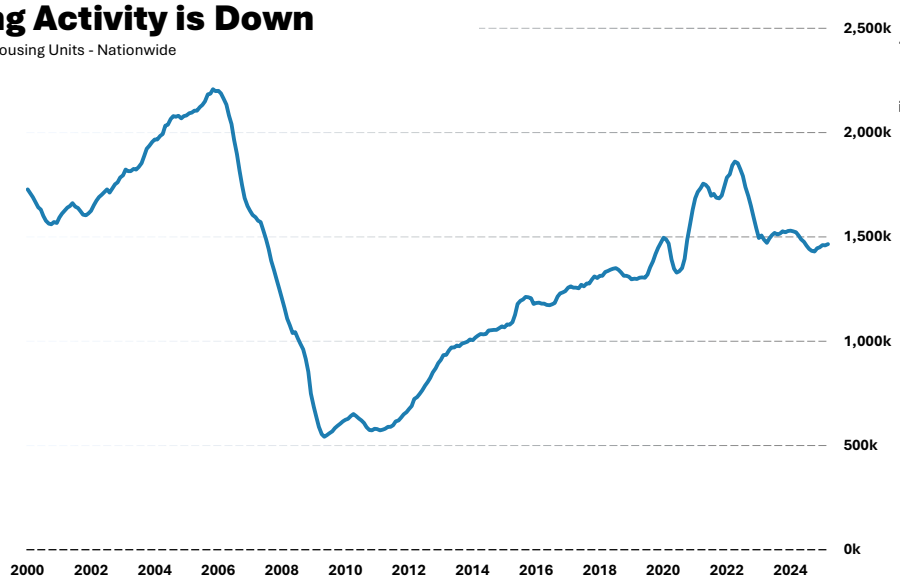
IDAHO DEPT. OF LABOR

14

Housing

Building Activity is Down

Total Permitted Housing Units - Nationwide



Source: National Center for Health Statistics

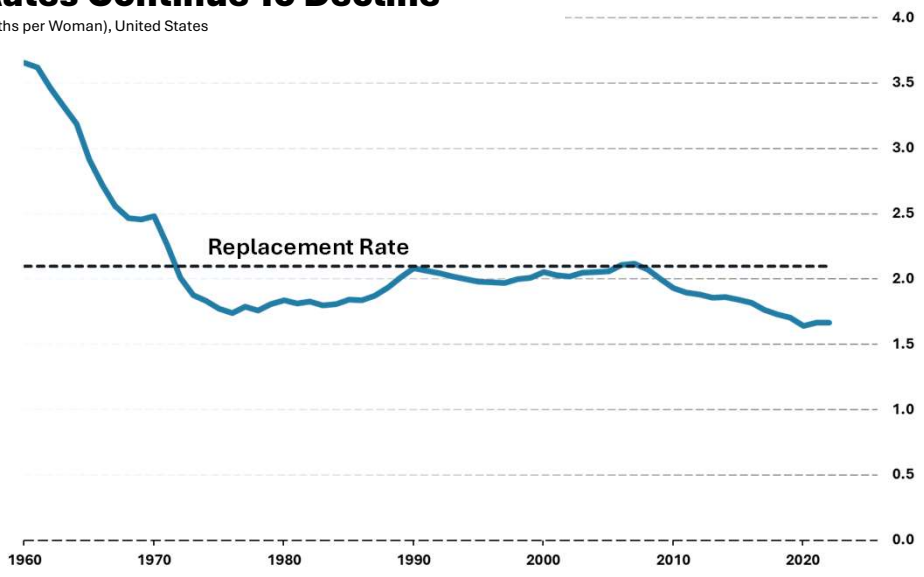
IDAHO DEPT. OF LABOR

15

Demographics

Birth Rates Continue To Decline

Fertility Rate (Births per Woman), United States



Source: National Center for Health Statistics

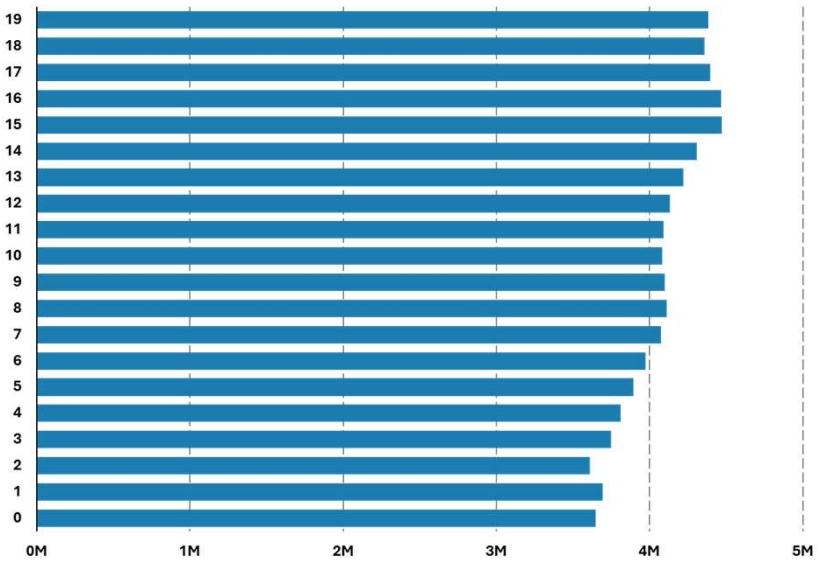
IDAHO DEPT. OF LABOR

16

Demographics

America's Tapering Youth Population

Single Age Population, United States



Source: US Census Bureau

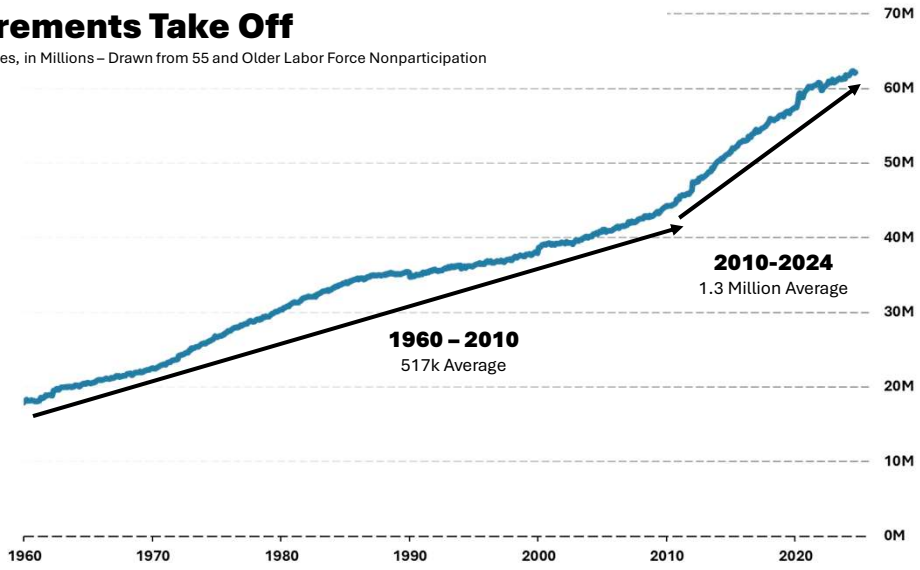
IDAHO DEPT. OF LABOR

17

Demographics

Retirements Take Off

Total Retirees, in Millions – Drawn from 55 and Older Labor Force Nonparticipation



Source: Federal Reserve Bank of St. Louis

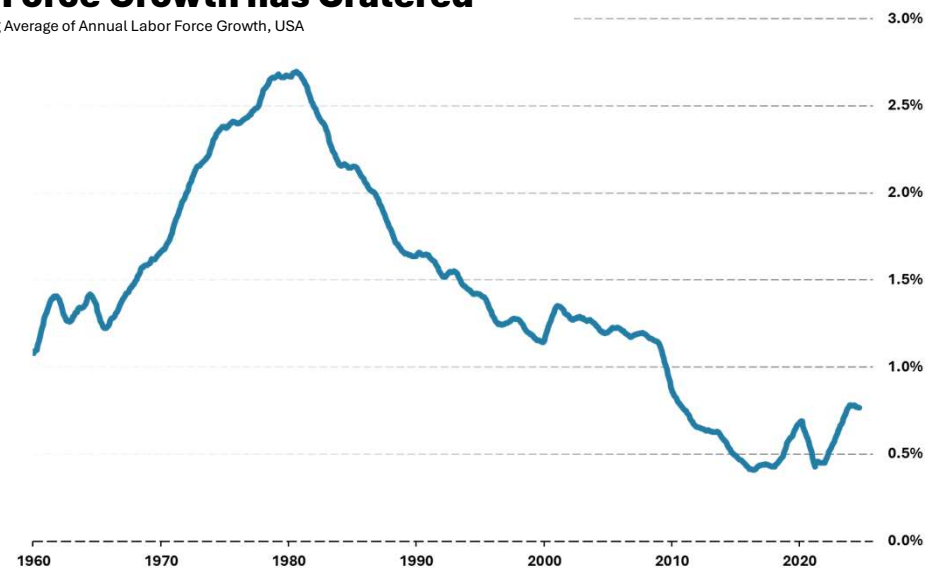
IDAHO DEPT. OF LABOR

18

Demographics

Labor Force Growth has Cratered

Ten Year Rolling Average of Annual Labor Force Growth, USA



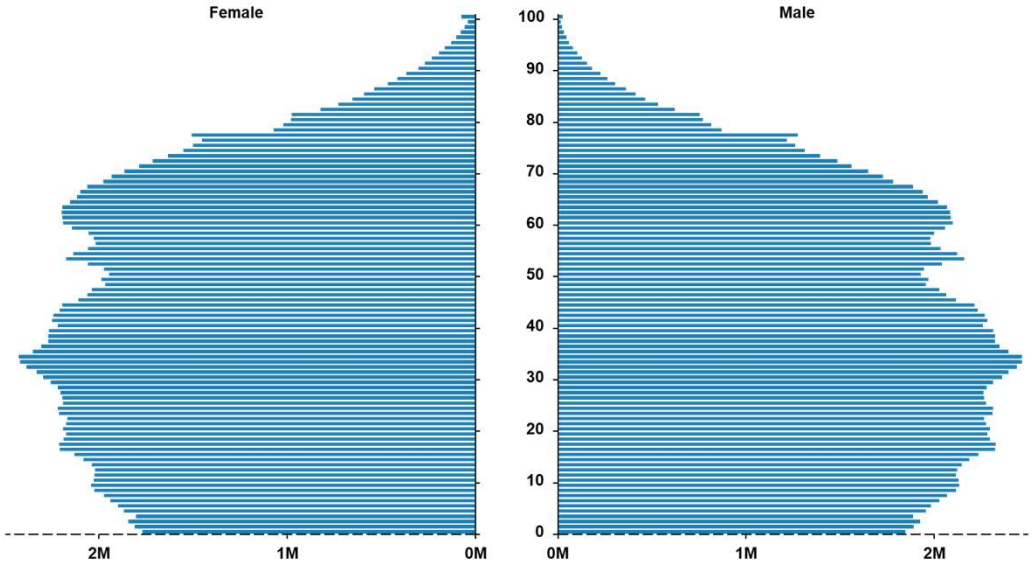
Source: Federal Reserve Bank of St. Louis

IDAHO DEPT. OF LABOR

19

Demographics

America's Demographic Structure



Source: US Census Bureau

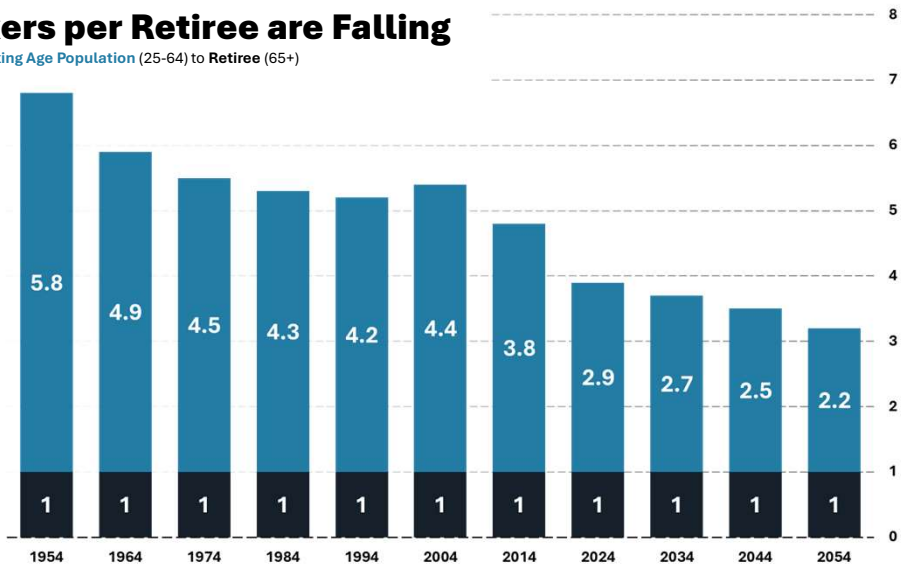
IDAHO DEPT. OF LABOR

20

Demographics

Workers per Retiree are Falling

Ratio of **Working Age Population** (25-64) to **Retiree** (65+)



Source: Congressional Budget Office

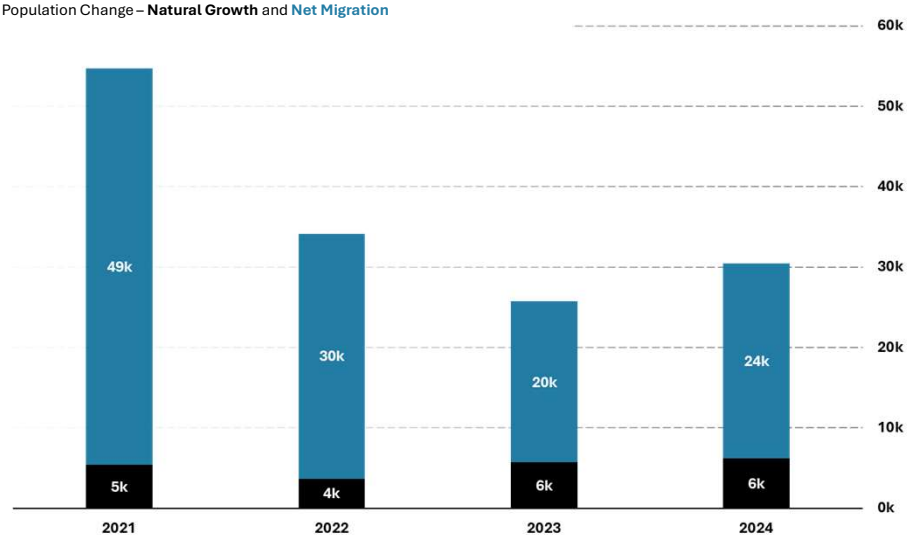
IDAHO DEPT. OF LABOR

21

Demographics

Population Growth in Idaho

Components of Population Change – **Natural Growth** and **Net Migration**



Source: US Census Bureau

IDAHO DEPT. OF LABOR

22

Big Picture: A Few Takeaways

- Headline economic indicators are generally healthy, supported by the strong labor market.
- Inflation is not softening as fast as we would have liked. The Fed is adopting a more cautious, wait and see position.
- High interest rates have significantly reduced household mobility, and by extension labor mobility.
- Household mobility will be essential in the long run due to the demographic profile.

IDAHO DEPT. OF LABOR

23

For more information on Idaho's workforce,
please visit LMI.IDAHO.GOV

Questions?

Sam Wolkenhauer
Samuel.Wolkenhauer@labor.idaho.gov
(208) 457-8789 ext. 4451

IDAHO DEPT. OF LABOR

24